Security, Congress and President Bush are quibbling over pocket change.

If President Bush is serious about controlling federal spending, and I believe that he is, he ought to reconsider his threat to veto any attempt to pare back the prescription drug entitlement.

President Bush's initial prescription drug benefit was much more fiscally responsible than the proposal he signed into law. I hope that if there is an effort in Congress to make the prescription drug benefit look more like President Bush's original plan, he will embrace it rather than fight it.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

SMART SECURITY AND FISCAL YEAR 2006 DEFENSE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentle-woman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, the Bush's administration national security priorities are so out of balance that it is hard to know where to begin. Between the debacle in Iraq, the failure to address America's true homeland security needs and funding for research on new nuclear weapons, there are plenty of options to choose from.

Last October during the final Presidential debate before the November election, President Bush claimed that the gravest threat America faces is the threat of nuclear attack. Unfortunately, the President has done very little to address this threat.

One of the primary nuclear threats America faces is the development of such hostile weapons by countries like Iran and North Korea. That is why we need to engage these nations in aggressive diplomacy, not aggressive saber rattling.

Earlier this week, North Korea indicated that it wishes to hold bilateral talks with the United States, presumably to receive financial assistance in exchange for dismantling its nuclear weapons program. Iran, on the other hand, feels threatened by recent whispers that the Bush administration might attempt a military assault on their nuclear weapons facilities.

We absolutely must negotiate with both countries. After using the U.S. military to take down Saddam Hussein, this President probably thinks that negotiations are beneath him; but I have got news for the Bush administration. Negotiations work and foreign assistance works. We need to start relying more on nonmilitary security tools to work out our international differences

The other major nuclear threat comes not from foreign countries, but from terrorist organizations like al Qaeda. To address this threat, we must

secure the nuclear stockpiles that are out there before they get into the hands of terrorists.

Most people agree that the best program to secure nuclear materials is the Cooperative Threat Reduction program, or CTR, which enlists the Department of Defense to dismantle nuclear warheads, reduce nuclear stockpiles, and secure nuclear weapons and materials in the states of the former Soviet Union.

CTR is crucial in keeping nuclear weapons out of the hands of terrorists. Terrorists know that it would not be difficult to steal material from poorly guarded nuclear plants in Russia. That is why it is important to increase our funding for CTR and provide funding to extend the program so that other regions of the world can be included.

Last year, the Cooperative Threat Reduction program received only \$409 million from the Defense budget, and the Department of Defense did not even use all of this money. We should triple or quadruple our funds and our efforts for CTR in the fiscal year 2006 budget, and we should extend this vital program to other countries where nuclear materials are not safely guarded, countries like Iran, North Korea, Libya, and Pakistan.

Instead of continuing down our current path, Mr. Speaker, I believe we must pursue a new national, smarter security strategy that I call SMART security, which is a Sensible Multilateral American Response to Terrorism for the 21st century.

I have also introduced H. Con. Res. 35, legislation that would pursue a smarter strategy for rebuilding Iraq. Twenty-eight of my House colleagues have joined me in offering this important legislation.

The immoral and ill-conceived war in Iraq has already claimed the lives of nearly 1,500 American troops. Another 11,000 have been gravely wounded as a result of this war, and the 150,000 soldiers that remain in Iraq are sitting ducks, sitting ducks for Iraq's growing insurgency. I am sure that many of these soldiers understand what our President does not, that the military option is not working.

Yet the President and his administration refuse to consider alternatives to the way we are handling the situation in Iraq. Think about the good that could be accomplished if even a fraction of the billions that have been spent on military operations were instead spent on nonmilitary security.

We could help secure Iraq by rebuilding schools so that their children could learn, constructing new water processing plants so that the Iraqi people could have clean water to drink, and building new roads so that citizens can travel safely from one city to another.

Our assistance should not end there. If we want to be truly smart about how we rebuild Iraq, we also need to bring nongovernmental organizations and humanitarian agencies into this country to help create a robust civil society

and ensure that Iraq's economic infrastructure becomes fully viable.

ECONOMIC REPORT OF THE PRESIDENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 109–1

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Joint Economic Committee and ordered to be printed:

To the Congress of the United States:

The United States is enjoying a robust economic expansion because of the good policies we have put in place and the strong efforts of America's workers and entrepreneurs. Four years ago, our economy was sliding into recession: The bursting of the high-tech bubble, revelations of corporate scandals, and terrorist attacks hurt our economy, leading to falling incomes and rising unemployment.

We acted by passing tax relief so American families could keep more of their own money. At the same time, we gave businesses incentives to invest and create jobs. Last year, we gained over 2 million new jobs, and the economy's production of goods and services rose by 4.4 percent. The unemployment rate is now 5.2 percent, which is lower than the average of each of the past three decades and the lowest since the attacks of September 11, 2001. Our progrowth policies are taking us in the right direction.

As I start my second term, we must take action to keep our economy growing. I will not be satisfied until every American who wants to work can find a job. I have laid out a comprehensive strategy to sustain growth, create jobs, and confront the challenges of a changing America.

I am committed to restraining spending by eliminating government programs that do not work and by making government provide important services more efficiently. I have pledged to cut the deficit in half by 2009, and we are on track to do so.

The greatest fiscal challenges we face arise from the aging of our society. Because Americans are having fewer children and living longer, seniors are becoming a larger proportion of the population. This change has important implications for the Social Security system, because the benefits paid to retirees come from taxes on today's workers. In 1950, there were 16 workers paying into Social Security for every person receiving benefits. Now there are just over 3, and that number will fall to 2 by the time today's young workers retire. We will not change Social Security for those now retired or nearing retirement. We need to permanently fix the Social Security system for our children and grandchildren. I will work with the Congress to fix Social Security for generations to come.